

Message on the Observance of Eid al-Adha December 19, 2007

I send holiday greetings to all Muslims celebrating Eid al-Adha.

During Eid al-Adha, Muslims around the world reflect on Abraham's unwavering faith and his trust in God when asked to sacrifice his son. These four days are a time for Muslims to honor Abraham's obedience by celebrating with family and friends and showing gratitude for the many blessings bestowed by God. This holiday also helps ensure the important values of compassion and devotion are passed on to future generations.

America is a land of many beliefs, and our society is enriched by our Muslim citi-

zens. The kindness, generosity, and goodwill displayed by American Muslims during this special occasion and throughout the year have contributed to the strength and vitality of our Nation. May all those observing Eid al-Adha find love and warmth during this joyous holiday.

Laura and I send our best wishes for a memorable celebration.

GEORGE W. BUSH

NOTE: An original was not available for verification of the content of this message.

The President's News Conference December 20, 2007

The President. Good morning. I hope you all enjoyed the holiday reception at the White House as much as Laura and I enjoyed it. We took an inventory of the silverware, and this year, only a few pieces were missing. So, like, if you see Gregory [David Gregory, NBC News], tell him to bring them back. [*Laughter*] I've decided to come in and visit with you because you're heading off on the holidays, and so are we, and we wish you happy holidays.

I think recent days have been a moment that the country can be proud of. In the past few days, we have stopped a tax increase on the middle class families, we improved our energy security, we delivered relief to struggling homeowners, and we funded our troops. I want to thank the members of both parties for their hard work in these areas. I'm pleased that we have been able to end this year on a high note by moving beyond our differences and

achieving important results for the American people.

This week, Congress passed legislation to protect middle class families from the burden of the Alternative Minimum Tax, without raising taxes. Unfortunately, Congress passed this legislation after a lengthy delay. It's going to—the delay is going to add time it takes to process tens of billions of dollars in refunds. And so we will work hard—now that the bill is passed, we will work hard to minimize the impact of the congressional delay so that Americans can get their refund checks as soon as possible.

Congress passed a good energy bill. The legislation I signed yesterday will reduce our country's dependence on foreign oil by increasing the supply of alternative fuel sources and increasing fuel economy standards. It demonstrates America's leadership in confronting climate change.

Congress also passed legislation to help homeowners struggling to make their mortgage payments. The bill I'm going to sign this afternoon increases the incentives for borrowers and lenders to work together to refinance loans. It will allow American families to secure lower mortgage payments without facing higher taxes. This is a tax reform bill. It takes away the penalty that a homeowner—a tax penalty a homeowner will receive if he or she renegotiates the loan to a lower rate, to a lower value for the house.

Finally, Congress reached agreement on a spending bill to fund the day-to-day operations of the Federal Government. They passed this bill without raising taxes. They eliminated many of the worst policy riders that would have never been approved through the ordinary legislative process. I appreciate that they included a down payment on the funding request for our troops on the frontlines in Afghanistan and Iraq without an artificial timetable of withdrawal. These brave men and women are risking their lives to protect us, and they deserve the full support of the U.S. Government.

I'm disappointed that Congress resorted to passing all this spending in one massive, more than 1,400-page omnibus bill, rather than considering and passing individual spending bills in the normal process. The omnibus bill was approved at the last minute, nearly 3 months after the end of the fiscal year. When Congress wastes so much time and leaves its work to the final days before Christmas, it is not a responsible way to run this Government.

Another thing that's not responsible is the number of earmarks that Congress included in a massive spending bill. Earmarks are special interest items that are slipped into big spending bills like this one, often at the last hour, without discussion or debate. Congressional leaders ran in the last election on a promise that they would curb earmarks. And they made some progress, and there's more transparency in the proc-

ess, but they have not made enough progress. The bill they just passed includes about 9,800 earmarks. Together with the previously passed defense spending bill, that means Congress has approved about 11,900 earmarks this year. And so I'm instructing Budget Director Jim Nussle to review options for dealing with the wasteful spending in the omnibus bill.

I'm also disappointed that Congress failed to pass legislation to ensure that our intelligence professionals can continue to effectively monitor terrorist communications. Those of us in public office have no greater responsibility than stopping new attacks on our country. And this summer, Congress passed a bill that—called the Protect America Act, which strengthened our ability to collect foreign intelligence on terrorists overseas. The bill closed dangerous gaps in our intelligence; it was a good piece of legislation. It wasn't perfect, but it was good. Unfortunately, Congress made this law effective until February 1st of 2008, as if the terrorist threat is going to go away on February the 1st, 2008.

The first priority of Congress when it returns in the new year must be to pass a good bill and get it to my desk promptly. They have a duty to give our professionals the tools necessary to protect the American people. The bill should include liability protection for companies that are facing multi-billion-dollar lawsuits, only because they are believed to have assisted in the efforts to defend our Nation following the 9/11 attacks. And it must ensure that our intelligence professionals have all the tools they need to keep us safe.

I hope the Members of Congress enjoy their holiday break; I intend to enjoy mine. We have a great deal of work in the months ahead. Next year is an election year, but that does not relieve us of our responsibility to carry out the people's business. The American people did not elect us to govern in odd years and campaign in even years. They expect us to get things done. That's what we've accomplished over

the past few weeks, and we need to carry this momentum into next year. I'm going to do my part, and I call upon the leaders of both parties on Capitol Hill to do their part.

And now I'll be glad to answer some of your questions, starting with AP man [Terence Hunt, Associated Press].

Central Intelligence Agency Interrogation Tapes

Q. Mr. President, there's ambiguity in the statement that you have no recollection about the existence and destruction of the CIA interrogation tapes. Why can't you say yes or no about the tapes and their destruction? And regardless, do you think the destruction of the tapes was a responsible thing to do?

The President. It sounds pretty clear to me when I say I have—the first recollection is when Mike Hayden briefed me. That's pretty clear. Secondly, I am confident that the preliminary inquiry conducted by the AG and the IG of the CIA, coupled with the oversight provided by the Congress, will end up enabling us all to find out what exactly happened. And therefore, over the course of these inquiries and oversight hearings, I'm going to reserve judgment until I find out the full facts.

I know I'm going to be asked about this question a lot as time goes on. I'm just going to prepare you—until these inquiries are complete, until the oversights are finished, then I will be rendering no opinion from the podium.

*President Vladimir V. Putin of Russia/
Russian Elections*

Q. Vladimir Putin has just been named Time magazine's "person of the year."

The President. Yes.

Q. And he has signaled that he intends to become Prime Minister. You said once that he had been wily about his intentions, but now that he's made those clear, what does it say about the state of democracy in Russia?

The President. You know, I'm looking forward to seeing him at the alumni meeting of the "men of the year," or the "persons of the year." I don't know when it's going to be, but—look, I presume—I haven't read the article, but I presume they put him on there because he was a consequential leader. And the fundamental question is, consequential to what end? What will the country look like 10 years from now?

My hope, of course, is that Russia is a country which understands there needs to be checks and balances and free and fair elections and a vibrant press; that they understand Western values based upon human rights and human dignity are values that will lead to a better country. That's my hopes.

Now, your speculation as to whether or not he'll be the Prime Minister, I don't know if he is; I haven't talked to him about it. And until that happens, I think we better just watch and see. What will be interesting next year is how the Russian President carries on his business—the new Russian President. In other words, we'll be together probably a couple of times next year, and it will be interesting to see how foreign policy is conducted and what the role of President Putin may be or not be. I just don't know yet, so we'll just wait and see how it—what happens.

John [John Yang, NBC News].

Cooperation With Congress/Legislative Agenda

Q. Mr. President, a year ago when you were—had your year-end press conference, the Democrats had just taken control of Congress. They said that one of their main goals was to end the war in Iraq. They were talking a lot about very contentious times ahead. As you just said, the Congress has now passed again, without strings, money for the war, and you've achieved a lot of your goals and have gotten a lot of things you wanted from Congress without a lot of give-and-take with them by

talking tough with firm veto threats. What does this say—say about the Democratic leadership, the way they're running Congress, and your relations with the leaders?

The President. You know, I don't view—I just don't view life as zero-sum. I think there—all of us deserve credit for getting some things done. The President constantly has to make sure that the executive branch is involved in the process, and one way is to use the veto. And the veto wouldn't have been effective without close coordination and consultation with Republican leaders in the House and the Senate. And in that, we made the veto effective. It then meant that negotiations could proceed with the President involved.

And so I really don't sit here and say, "Well, you know, he won, they lost," or "They won, he lost"—it's just not my nature—because I think what ended up happening was good for the country. I think it's good that we ended up with a spending bill that met 933, but also dealt with some emergencies. I think it's good that we funded our troops without an artificial timetable for withdrawal. I think it's good for the country that that happened.

I know it's good that we passed an important piece of energy legislation. I proposed that in my State of the Union, but it required a Congress willing to work with the executive branch and to work among themselves to get the bill passed. So there's plenty of credit to go around.

I know we live in an environment here in Washington where—I'm not saying you try to stir this up, but sometimes it's beneficial to constantly harp on, well, they don't get along here, or maybe they can't agree here. It's so-and-so versus so-and-so; it's an antagonistic world from some people's point of view. I try to make it less that way and to focus on high priorities.

And we got a lot of priorities for next year. And one of my priorities—this is—I understand this is a bone of contention, but one of the priorities is to make sure they don't run up the taxes on people. And

my attitude is, if you run them up on one area, it'll become a habit that will be hard to break, and then they'll try to run them up on other areas. And the reason I feel strongly about that is I don't want to undermine the economy by raising taxes.

There's some areas where we can work together, like reauthorization of No Child Left Behind, although I will warn Congress that—in that the current bill doesn't expire, if they try to weaken the current bill, I'll veto any attempt to weaken it. But I believe we can strengthen it. I spoke to Senator Kennedy on this issue and Congressman Miller and Senator Enzi and Congressman Boehner about how to strengthen No Child.

I mean, there's a lot of things we can do together, I guess what I'm saying, John. And so I leave the year feeling good about our capacity to get some important things done. And of course, I'm grateful that the troops got funded. One of the—one of my concerns from the last year was that Congress initially spent a lot of time on passing resolutions and sentiment and trying to put—trying to tell our commanders how to conduct the war. And it just didn't work. But they spent a lot of time on the subject, which meant when we came down to the end of the year, there was a lot of unfinished business. But we got it done.

Yes, Bill [Bill Plante, CBS News].

Progress in Iraq

Q. Mr. President, despite the military success of the surge, there's no evidence that one of its intended benefits, making it easier for the Iraqis to form a unity government, has had any effect. Refugees won't come home from Syria. There was an opinion poll this week which said that most of the Iraqis surveyed blamed us, said things would be better when the U.S. leaves. What benchmarks can the Iraqi Government meet that would change this? What do you want them to do?

The President. Well, first of all, I don't agree with your premise that there's no politics taking place in Iraq. There is a functioning Government. They did pass a budget last year, and they're in the process of passing their budget this year. I am pleased to report that there's been two readings of a de-Ba'athification law to the Council of Assemblies.

Well, Bill, I mean, if your standard is—if you're trying to judge the Iraqi parliament based upon our own Congress's ability to get bills done—is that what you're saying—I'd be a little careful. It took our Congress till the last minute to get things done. I mean, the legislative process is not all that smooth at times. And they've got a lot of work to do; don't get me wrong. I mean, I am not suggesting that we shouldn't, as a Government, continue to press them. What I am suggesting, though, there is a functioning Government. Your statement was, security didn't provide room for a government to stand up and function. Well, it's happening. And so therefore—and therefore, we will continue to press them on de-Ba'ath law, Provincial election laws, power sharing with the central Government and the Provinces, and oil law.

But as I've reminded you from this podium, they are distributing oil revenues to the Provinces. There is revenue sharing, and there's local reconciliation taking place. And a lot of times, it's local politics that will drive national politics. Are we satisfied with the progress in Baghdad? No. But to say nothing is happening is just simply not the case.

2008 Presidential Election

Q. I understand you do not want to discuss the Presidential campaign—

The President. That's true—

Q. —let me ask you a question about—

The President. —so therefore, why don't you ask me about the Presidential campaign. I'll confirm it.

Q. All right, let me ask you about all Presidential campaigns—

The President. Sure. [Laughter]

Q. You've been in office for 7 years now. You must have some pretty strong opinions about what it takes to sit in the Oval Office. What is important to you? Is experience in government important? Are a candidate's religious views important to you?

The President. It's a good attempt to get me in the race. [Laughter] What's important to me will be this: the principles by which people will make decisions. People develop principles all different kinds of ways. But you can't be the President unless you have a firm set of principles to guide you as you sort through all the problems the world faces. And I would be very hesitant to support somebody who relied upon opinion polls and focus groups to define a way forward for a President.

And so my question to—if I were asking questions to people running for office, I'd say, what are the principles that you will stand on, in good times and bad times? What will be the underpinning of your decisions? What will it be? Because a President needs to be consistent, and a President needs to understand that what may look like a nonissue today could be a big issue tomorrow.

And secondly I would say, how do you intend to get advice from people you surround yourself—who are you going to surround yourself? And what process will you have in place to ensure that you get the unvarnished opinion of advisers? Because whoever sits in that Oval Office is going to find this is a complex world, with a lot of issues coming into the Oval Office—a lot—and a great expectation in the world that the United States take the lead. And so my question would be, how do you intend to set up your Oval Office so that people will come in and give you their advice?

And so those would be the two questions I'd ask. And—

Q. It sounds like you think the principles are more important than experience or specific religious views.

The President. No, sometimes you develop your principles as a result of experience. Sometimes you develop your principles based upon your—how you were raised or your religious experiences. I just want to know whether or not somebody has got a sound set of principles from which they will not deviate as they make decisions that will affect the peace and security of our country.

Bret [Bret Baier, FOX News].

Progress in Afghanistan

Q. Thank you, Mr. President. Good morning. You've announced a review of the situation in Afghanistan. The last time the American people heard about a review of the war, it ended up in a surge of U.S. troops in Iraq. Can the U.S. expect a surge of U.S. troops in Afghanistan? And do you agree with many analysts who say that the real problem in Afghanistan—or a major problem is that the NATO allies are not getting it done or avoiding the fight there?

The President. Part of the review is to assess how best to make sure our coalition partners realize there is a coherent strategy of which they are an integral part, all aiming to make sure that there is a presence that will assure the Afghan Government and the Afghan people that people will be trying to help them with their security.

It is—it makes sense for us to constantly review our strategies in a variety of theaters. That's what good governance is: You analyze the situation a year after the previous strategy to determine whether or not—what worked and what didn't work. What did work was the—you might remember last year; I guess there was a lot of talk about the Taliban surge or the Taliban offensive. And General McNeill informed us that the only team that's going to be on the offense is American and NATO allies and other allies.

And we were on the offense. And the Taliban got hit hard last year. The question, of course, is—just like in Iraq—is there a followup to the security gains? In other words, is life changing better for the average citizen? That's the question that we all got to be looking at. Unity governments are important, but does the average citizen realize that a free society is in his or her interest.

And I visited with President Karzai on the SVTS the other day, and it's a question I basically asked him. I said, we were successful militarily; what's happened in your country that you can point to that indicates that you're taking advantage of better security in certain places?

And he pointed out some interesting things. He talked about the—I think it's 5 million children now going to school. It was an interesting measurement for him. He says, "I believe we're taking advantage of the security because more of our children are getting educated." He told us a story—I can't remember the exact Province—about when he was part of the struggle against the Taliban. Somebody got wounded; he took them to the hospital—there was nothing there. You know, it was like they called it a hospital. It was just kind of a rundown place where a person couldn't get much good health care. And now, all of a sudden, he talks about an expanding health care system and the infant mortality rate dropping. He talks about the roads that are being built so that the average citizen there can get their crops to market. And we checked into his assertions, and they're true. So this is a society where—that is evolving.

Now, it takes a while for societies that have been brutalized by tyranny and wracked by war to meet expectations. So the questions I ask on Iraq and Afghanistan are: Is there progress? Are people feeling better about life? And of course, we press their governments to work to come together and get budgets passed, or in Iraq's case, de-Ba'athification law or oil laws. And

those are all important. But also what's important is the human condition. And I believe we're making progress on both fronts.

Yes, sir.

NATO Alliance Role in Afghanistan

Q. One more, I'm sorry. On the NATO allies, do you believe that they're avoiding the fight, or at least some of them are?

The President. Well, I would like to praise the Brits, the Canadians, the Dutch, the Danes, and other countries for their contribution—the Aussies—for their contribution of shooters, fighters, people that are willing to be on the frontline of this battle. These are brave souls. They're working side by side with the Afghan forces and U.S. forces to deal the Taliban a blow. And I've only got praise for them.

I understand that some countries are in a position where they can't commit combat troops. And so the question is, are we able to leverage their position in Iraq in such a way that enables us to stay on the offense against the Taliban, help the Afghans to do so?

And my biggest concern is that people say, "Well, we're kind of tired of Afghanistan; therefore, we think we're going to leave." That would be my biggest concern. And so our objective is to help people meet a mission that they're comfortable with achieving, and convince them that this is going to take a while. It's going to take time for this democratic experiment there in Afghanistan to work. And I believe it will.

As you all know, I've said this many times from the podium: I do believe in the universality of freedom. I believe if people are given a chance to be free, they will do so. Now, I understand some don't believe that. It's kind of like we're the only ones that can be free. It's kind of the ultimate isolationism, isn't it? And the question then is, is it in our Nation's interest to help others realize the blessings of liberty? And I—clearly, the Bush foreign policy says it is, because I believe it's going to yield

peace, and particularly important given the fact that we're in an ideological struggle against people who use murder to achieve political objectives.

And we've faced these kind of people before in our past. And the question is, does it make sense to confront them? And if we forget the lessons of September the 11th as a nation, we will be naive or blind to the realities of the world. And the best way to confront these folks in the long term is to defeat their ideology with one based upon hope, and that's one based upon liberty. And that's what you're watching unfold. It's necessary work, and it's hard work, and it requires determination and effort and commitment. And so part of our efforts is to convince others, one, the nature of the world in which we live; two, that we're in an ideological struggle; and three, we will prevail because we've got the ultimate weapon against those who can't see anything but terror and murder as a way forward. And that is freedom.

Yes, Holly [Holly Rosenkrantz, Bloomberg News].

National Economy/Home Loan Industry

Q. Mr. President, prominent Republican economists, including Alan Greenspan and Marty Feldstein, are saying the Government should do more to head off a recession. Greenspan is suggesting you need Government money to prevent home foreclosures, and Feldstein is suggesting more tax cuts. Should the Government do more, and if so, what?

The President. Well, we're constantly analyzing options available to us. My view of the economy is that the fundamentals are strong, that we've had strong growth for a reason: that we're competitive; we got flexible workplace; that we kept taxes low; exports are up.

Like many Americans, I'm concerned, and I'm concerned about the fact that Americans see their costs going up. I know Americans are concerned about whether or

not their neighbor may stay in their house. And so we're dealing with these issues.

On the housing front, I made it clear we're not going to bail out lenders, and we're not going to help speculators. But we will help creditworthy people stay in their homes. And that's what Secretary Paulson has done, along with Secretary Jackson, in putting together what's called the HOPE NOW coalition, which has got lenders and financiers and consumer advocates all working together to develop standards to make it more likely a creditworthy person can refinance their home.

See, the difficulty we face in the housing market is that the lender, the person who actually made the note, oftentimes doesn't end up owning the note. That note could be—in the recent past has been bundled and sold as an asset. And so there's no telling who owns the mortgage of the person who wants to renegotiate. And so we're helping deal with the new realities in a way that we believe is going to be effective.

Secondly, the Congress can really help by passing a FHA modernization bill. The House passed a bill. The Senate passed a bill. They need to get together when they get back, quickly, and get it to my desk so that it makes it easier for the Federal Government, in this case, to help people refinance their homes.

In terms of further stimulation, we'll consider all options. And so we're watching carefully.

Let's see here. Baker [Peter Baker, Washington Post].

*Environment/Fuel Efficiency Standards/
Alternative Fuel Sources*

Q. Thank you, Mr. President. Yesterday you joined together with House Speaker Pelosi and Senator Reid to sign the energy legislation and talk about the importance of the bill in curbing greenhouse gases, among other goals. However, your administration then told California that it couldn't implement its own plan to restrict tailpipe emissions. How important is fighting green-

house gases to you? Why can't the States try to do more? And can you tell me anything about your conversation with Vice President Gore about climate change a few weeks ago?

The President. Remind me about that here. Let me finish the first part of the question, and remind me you asked that.

The question is how to have an effective strategy. Is it more effective to let each State make a decision as to how to proceed in curbing greenhouse gases, or is it more effective to have a national strategy? Director Johnson made a decision based upon the fact that we passed a piece of legislation that enables us to have a national strategy, which is the increasing CAFE standards to 35 miles an hour by 2020 and a substantial increase of alternative fuels, 36 billion gallons by 2022.

And so the Director, in assessing this law, and assessing what would be more effective for the country, says, we now have a national plan. It's one of the benefits of Congress passing this piece of legislation.

I told Vice President Gore that I take the issue seriously. And we're developing a strategy that will deal with it—and an effective strategy. Yesterday's bill is a part of that strategy. When you replace as much gasoline on a mandatory basis as we're suggesting, it's going to do a lot to improve the greenhouse gases. And by the way, the bill I signed was a little weaker than the one I suggested, but nevertheless was happy to sign it.

And one of the key components, by the way, to be successful on reformulated fuel standards is to spend research and development money on cellulosic ethanol, new ways to manufacture ethanol. We can't rely only on corn in order to meet these standards. And I understand a lot of people in the farm belt are getting concerned, unless, of course, you're a corn grower. But if you're feeding cattle or feeding hogs, the cost of business has gone up. And that's one of the tradeoffs you have to make. So what I want to assure people out there

is that we're spending a lot of taxpayers' money in a way to figure out how to use wood chips or switchgrass in order to make ethanol. But this is a real national plan.

Secondly, in order to be effective on a global basis, countries that emit greenhouse gases need to be at the table. One of the main reasons I was against Kyoto was that China wasn't at the table. I mean, we could do all we wanted to do, but it wouldn't affect greenhouse gases over the long run unless a country like China had agreed to participate in a strategy.

And so we went to the Bali Conference with that in mind and worked out a compromise that said, we're committed to a process that's going to unfold over the next 2 years. But we've also got a parallel process working to make sure major emitters sit at the table and come together, hopefully, on a goal that we all agree to. And it's a strategy that I laid out at the G-8 in Germany, it's a strategy that was explained to everybody there in Bali, and it's a strategy we think will be effective.

And so, absolutely, I take the issue seriously. But I want to make sure that we're effective in what we do, and secondly, do not wreck our economy in whatever we do. See, it is hard to develop the technologies necessary to be able to make sure our standard of living remains strong and deal with greenhouse gases if you're broke. If you don't have any money, it is really hard to develop new technologies. And so we need to be prosperous for a lot of reasons, primarily so our citizens can have a good life, but also so that we're wealthy enough to make the investments necessary to deal with greenhouse gases.

Finally, if you're truly serious about dealing with greenhouse gases, then it seems like to me you ought to be a strong supporter of nuclear power. Nuclear power enables us to generate electricity without emitting one unit of greenhouse gases. I am—to me, I am amazed that our country isn't more robust in supporting the advent of nuclear power. I certainly am, and ap-

plaud those efforts by Members of the Congress to provide incentives for the construction of new plants.

But if you're somebody that says, "Greenhouse gases are of vital national interest," then you ought to be saying, "I'm for the development of nuclear power-plants." It is by far the best solution to making sure we have economic growth and, at the same time, be good stewards of the environment.

And so when you couple increasing CAFE standards with using alternative fuels—which deals with the automobile area—as well as a good strategy on electricity, then all of a sudden, you begin to see a strategy unfold. And by the way, the final thing is, is that we do have 250 years of coal. And I believe we can develop technologies that will enable us to use that coal in an environmentally friendly way.

So what I'm suggesting to you is, is that we do have a strategy. Our strategy is to bring others to the table. Our strategy is to develop our own plan to meet the national goals—the international goals that I hope we'll be able to set later on this summer. And you've just heard some of the components of it.

Yes, sir.

U.S. Image Abroad

Q. Mr. President, thank you. If I could return a minute to the CIA tapes. I realize you don't want to discuss it at this point, but given your remarks about the struggle against ideology, how concerned are you that your administration once again faces criticism, questions from people around the world about the handling of a terrorist suspect?

The President. You know, you're trying to get me to prejudge the outcome of this inquiry. And let's wait and see what happens. Let's wait and see what the facts are. And look, we get criticized a lot for a variety of reasons. We're asking people to do hard things, for starters, which is intercept and find terrorists and to spread freedom.

And there's isolationist tendencies in this world. People would rather stay at home. People would rather not aggressively pursue people overseas and aggressively pursue freedom. I understand that. We got people like that in our own country. That's why, in my State of the Union Address a couple of years ago, I talked about the perils of isolationism and protectionism. And the fundamental question facing whoever sits in the Oval Office is, will you use the influence of the United States to advance a freedom agenda to help others realize the blessings of liberty and yield peace?

So I don't want people to get the wrong impression of our country, but I'm not surprised we get criticized on a variety of fronts. And on the other hand, most people like to come to our country, and most people love what America stands for. And so it's like I say about the Presidency: People in America like the Presidency, and sometime they like the President. Get it? [Laughter]

Yes, ma'am.

*Syria/Lebanese Presidential Election/
President's Visit to the Middle East*

Q. Mr. President, on the Middle East, will your trip to the Middle East—I know you're not going to Lebanon—will it help to stabilize Lebanon? As you know, President Sarkozy said that he spoke to President Asad, and he said his patience is running out.

The President. Yes.

Q. Was this coordinated with you? And are you willing to speak to President Asad to end the crisis in Lebanon?

The President. No, it wasn't coordinated with me, and my patience ran out on President Asad a long time ago. And the reason why is, is because he houses Hamas; he facilitates Hizballah; suiciders go from his country into Iraq; and he destabilizes Lebanon. And so if he's listening, he doesn't need a phone call. He knows exactly what my position is.

We are—our view on Lebanon—first of all, it's very important that Lebanon—Lebanon's democracy succeed. Secondly, as you know, we did work with the French on 1559 to get Syria out of Lebanon, and Syria needs to stay out of Lebanon. Syria needs to let the process in Lebanon work. And if they can't come to an agreement—I appreciate the sides trying to work on a common ground for a President, but if they can't come for agreement, then the world ought to say this: that the March 14th coalition can run their candidate and their Parliament; majority plus one ought to determine who the President is. And when that happens, the world ought to embrace the President.

I'm looking forward to going to the Middle East. I've got a couple of objectives. One is to advance the Palestinian-Israeli peace process. Secondly is to continue to work with our Arab friends on reconciliation with Israel. And finally is to assure people in the Middle East that we understand—or we'll show a strong commitment to the security of the region and a commitment to the security of our friends.

And it's going to be a great trip. I hope you're going with me.

Q. I am, actually.

The President. Good. [Laughter] So therefore, you use that as an opportunity to ask a followup. [Laughter]

Q. Absolutely.

The President. Didn't work. [Laughter]
Mike [Mike Allen, Politico].

U.S. Foreign Policy/Freedom Agenda

Q. Mr. President, you maybe saw that President Clinton said recently that one of the first actions of a new Clinton administration would be to send Presidents 41 and 42 on a worldwide good will mission to restore the country's good name abroad.

The President. Yes——

Q. I wonder if you think such a thing is necessary——

The President. Well, 41 didn't think it's necessary. It sounds like it's going to be a one-man trip. [Laughter]

Yes, Michael, do you want to try—

Q. Mr. President, I wonder if you would consider doing such a thing during your Presidency, and do you think that you might have—

The President. That's what I do during my Presidency. I go around spreading good will and talking about the importance of spreading freedom and peace. Go ahead. I don't know what I'm going to do after I'm President. Michael, I've got an exciting 13 months ahead, and I know you're just waiting for me to say "sprint to the finish line," so I won't. [Laughter] But it's—go ahead, Michael, try one more time.

Q. Mr. President, you maybe saw that your former colleague from the National Governors Association, Mike Huckabee—

The President. Okay. You're trying to get me in the race, Mike.

Q. No, sir.

The President. You're trying to drag me in the race, I know. What's your advice? Should I do it?

Q. Do it.

The President. Do it?

Q. Go for it. [Laughter]

The President. I plan on having some press conferences next year, and I suspect next year the questions will be even more plentiful about getting me to be the opiner in chief.

Yes, go ahead, Mike.

2008 Presidential Election

Q. Mr. President, this is a question about your foreign policy. You maybe saw that your foreign policy was described as arrogant, go-it-alone. I wonder why you disagree with that, and if there's any danger in having—

The President. That's a clever way of getting me in the race. Look, during the primaries and during the general election, I suspect my name may come up a lot, and

what the American people need to do is to sort through the rhetoric and reality.

And so this is a subtle attempt to get me to start commenting about the primaries, and I'm not going to do so. I will wait, reserve judgment, be patient, and after the primaries are over, will help my party unify, because I believe we will keep the White House. I believe ours is the party that understands the nature of the world in which we live and that the Government's primary responsibility is to protect the American citizens from harm. And I will continue to remind the American people that our professionals need to have the tools necessary to make sure that we find out who's thinking about attacking us, and if they are, do something about it. That's what we're going to do.

We're also the party that understands that you can spend your money, Michael; all that money they pay you, you can spend it better than the Government can spend it. And therefore, we're going to keep taxes low. And we've got an economic—a plan that will keep this economy strong.

And I'm looking forward to doing my bit. In the meantime, I'm out raising money for the Republican Party, trying to make sure that once the primaries are over—that you're trying to drag me into—that we're united and ready to go. And I'm confident we'll hold the White House, and I'm confident we can pick up seats in the—both the Senate and the Congress.

Yes, sir.

National Economy

Q. So far, Republicans haven't mentioned your name.

Q. Yes, just a quick—

The President. No, not you. This guy right here. USA Today. Wolf [Richard Wolf].

Q. On keeping taxes—

The President. —yelled his name out—Wolf.

Q. Thank you, Mr. President. On keeping taxes low, part of the way you seem

to be doing it is by not paying for some of the things that passed in the last couple days: emergency spending on Iraq, the AMT fix. Can you tell us why it's not irresponsible to pass these costs along to our kids? And I'm also tempted to ask, at the top of this, you talked about the wasteful spending and an initiative that you were going to—with Director Nussle. Can you give us a little bit of a hint on how you're going to go after—

The President. No, I think we better—that will be an interesting nugget for next year. And secondly, we have been reducing the deficit. Progrowth economic policies work. By cutting taxes, the economy grows, which yields more revenues for the Treasury. And then the fundamental question is, can we bring fiscal discipline on the spending side? The argument that you've got to raise taxes to make sure your children don't pay debt only works if the Government doesn't follow suit and spend that money you raised on new programs.

My view is, is that given more money, the Government will find new ways to spend it. And secondly, by raising taxes, we'll slow down the economic growth of this country, which will increase deficits over time.

And so we're on a plan to reduce the deficit, and at the same time, fund our troops, and at the same time, keep taxes low. Progrowth economic policies has worked. And maybe somebody else thinks you can raise taxes and keep the economy growing; I don't. I think a sure way to hurt the economy is to run up taxes on people.

This other thing that's interesting—and you hear these people in the campaigns—even though I'm not going to opine about the primary—but they do talk about taxing the rich. I just want people to remember that many small businesses pay tax at the individual income tax level because they're organized not as C corps, but as limited liability partnerships and S corps, which means that they pay individual tax rates.

And when you say you're going to tax the rich, you're taxing a lot of people that are hard-working people, and you're taxing small businesses. Small businesses create most of the growth in our economy, most of the job growth. And a sure way to stop that from happening is to take money out of their Treasury.

And so I'm a strong believer that tax cuts work, and we need to keep taxes low.

Yes, sir. Dow Jones man [Henry "Jay" Pulizzi, Dow Jones Newsletter]. How's the market?

Q. I don't know. I'll check.

The President. Okay. Good. Thanks.

U.S. Financial Markets/Foreign Investors

Q. The mortgage crisis is leading some of the Nation's biggest financial institutions to seek investments from funds that are controlled by foreign governments. Is that something that concerns you?

The President. No, I like to get our money back. I think the world that is open for investment and trade is a world that will lead to overall prosperity. It's interesting that they're going to have to do that. My attitude is, is that Wall Street needs to put all their—put it all out there for everybody to see. They need to have the—off-balance sheet this and put out there for investors to take a look at. And if there's some write-downs to be done, they need to do it now.

And so I'm fine with capital coming in from overseas to help bolster financial institutions. I don't think it's a problem. I think what will be a problem is to say, we're not going to accept foreign capital, or we're not going to open markets, or we become protectionists. Protectionism would be a huge mistake for this country. And what's going to be an interesting test next year on whether or not we're going to be a country that trades with others and opens up markets is these free trade votes. I applaud the Congress for passing the Peruvian free trade deal. But we got some votes coming up with Colombia. That's going to

be an interesting test to determine whether or not we remain—that we remain an open economy and that we expect others to treat us the way we treat them.

And I spoke this morning to the President-elect of South Korea. And the people there are going to be watching very carefully as to whether or not our Congress understands the importance of the relationship and that they pass that free trade agreement with Korea. It's in our interests we do so.

But no, I understand that people are—when they write down their assets, they may need to get a little extra capital on their balance sheets. And it doesn't trouble me at all; it doesn't. What troubles me is the fact that they—is that some of this paper isn't worth what people thought it

was, and it's going to have to work through the system.

Listen, thank you all. Have a wonderful holiday season. Appreciate it.

NOTE: The President's news conference began at 10:01 a.m. in the James S. Brady Press Briefing Room at the White House. In his remarks, he referred to Gen. Dan K. McNeill, USA, commander, NATO International Security Assistance Force, Afghanistan; President Hamid Karzai of Afghanistan; President Bashar al-Asad of Syria; and President-elect Lee Myung-bak of South Korea. A reporter referred to President Nicolas Sarkozy of France. The Office of the Press Secretary also released a Spanish language transcript of this news conference.

Remarks at a Swearing-In Ceremony for James B. Peake as Secretary of Veterans Affairs December 20, 2007

The President. Thank you all. Please be seated. Good morning. Thanks for the warm welcome to the Department of Veterans Affairs. I am proud to introduce your new Secretary, Lieutenant General James Peake. And I am pleased to be joined by his wife Janice and daughter Kimberly and her husband Mack. I know they're proud of what Jim has accomplished during his career, and I thank them for supporting him in his work ahead.

I thank the Vice President for joining me today. We had a long ride over here, Jim. [Laughter] Plenty of time to visit. [Laughter] I want to thank the Secretary for joining us—Secretary of Defense Bob Gates; honored you're here, sir. Appreciate Elaine Chao, Secretary of Labor; Deputy Secretary Gordon Mansfield—I'm going to say something about you here in a minute. I appreciate Admiral Thad Allen, Commandant of the U.S. Coast Guard, for join-

ing us. Thanks for coming, Admiral; General Dick Cody, Vice Chief of Staff of the United States Army. I appreciate all those who wear the uniform who have joined us today as well.

I want to thank Arlen Specter, United States Senator, for joining us. Senator, thanks for coming. And my Congressman, the Congressman from central Texas, Congressman Chet Edwards, chairman of the Military Construction and Veterans Affairs Appropriations Subcommittee; proud you're here.

I want to thank the members of veterans service organizations who are with us today.

Audience member. Hoorah! [Laughter]

The President. Looking forward to working with you. [Laughter] And behave yourself. [Laughter]

The Secretary of Veterans Affairs has one of the most important jobs in our Government. The Secretary leads a Department